

LMI ADVISORY GROUP MEETING

Thursday, January 25, 2007

Meeting Minutes

Advisory Group Attendees:

Eric	Alexander	
Nelson	Anthoine	NHA Consulting
Alissa	Anderson-Garcia	California Budget Project
Bill	Bassitt	Stanislaus Alliance
Jude	Bayham	Center for Economic Development, Chico
Dan	Blake	CSU Northridge
Richard	Della Valle	CCCEWD
Patricia	de Cos	California Research Bureau
Cesar	Diaz	State Building & Construction Trades Council
Gino	DiCaro	California Manufacturers & Technology Assn.
Naomi	Hammamoto	EDD Public Affairs
Laura	Harris	CEAC/WDB Riverside County
Tammie	Holloway	CDE – ROCP Unit
Diane	Hurley	CDE – Adult Education Unit
Fran	Kennedy	California Labor & Workforce Development Agency
Frances	Laskey	CEAC – Berkeley Policy Associates
Danny	Lee	Marketing & Constituents Services
Lingbo	Liu	California Postsecondary Education Commission
Janet	Maglinte	California Economic Strategy Panel
Cliff	Moss	CDE – Adult Education Office
Beverly	Odom	California Workforce Investment Board
Carol	Padovan	DOL – Employment Training & Administration
Dennis	Reid	DOL – Bureau of Labor Statistics
Ron	Selge	California Community Colleges Chancellor's Office
Michael	Tavares	Los Rios Community College District
Marc	Wilson	EDD Workforce Services Division
Stacey	Wilson	California Postsecondary Education Commission
Chuck	Wiseley	California Community Colleges Chancellor's Office

LMID Staff

John	Billington
Ana	Bouza
Amy	Faulkner
Vivian	Gerlach
Bonnie	Graybill
Jeneace	O'Brian
Fran	Styron

Recorders: Ana Bouza and Amy Faulkner

Facilitator: Bonnie Graybill

Housekeeping – Bonnie opened the meeting by introducing LMID’s Acting Chief, John Billington.

Welcome /LMID Update - John Billington

John Billington welcomed all guests to the meeting adding that their participation in the committee is invaluable to the Division. He announced that Steve Saxton has been appointed Chief of the LMID and will start his assignment on January 31st, 2007. John provided a brief summary of Steve’s experience which includes previous experience working with the LMID programs. Steve presently serves as a manager in the Workforce Services Division and possesses experience in workforce, and economic development issues.

Budget for LMID activities has again been reduced. The redirection of Contingent Funds (source is penalty and interest from past due employment taxes) from EDD to the State’s General Fund is proposed for the 2007 state fiscal year, and will affect LMID. LMID has been anticipating and adjusting to budget reductions at the State and Federal levels. We have previously discussed with the Advisory Group the anticipated reductions from the Department of Labor to the Workforce Information Grant and the Current Employment Statistics program.

Review of the October 12, 2006 Minutes – Bonnie Graybill

Bonnie asked the committee whether there were any comments or edits to the minutes. No comments were received – the minutes were approved.

Economic Update – Paul Wesson, LMID Chief Economist

Paul introduced himself and introduced Mary Klaas-Shultz as the back-up economist for the LMID.

Paul’s presentation covered many areas of the economy. He said, “First of all, the U.S. economy is doing “pretty well.” The economy is showing signs of slowing. The slow-down can be attributed to the cooling of the national housing market. Looking forward, the slow housing market is putting a drag on the economy.

Question: How many manufacturing jobs are there?

Answer: There are about 1.5 million jobs in the manufacturing industry. Manufacturing employment has been flat, which is an improvement over losses in recent years. Investments in computers and equipment should be strong due to strong profit growth and increasing capacity constraints.

The not seasonally adjusted employment statistics reveal slower growth, but, growth none-the-less. California trends indicate that our economy has seen steady growth for the past three years. California gained an average of 17,500 new jobs a month from May 2006 - December 2006.

California's year-over job growth was slightly slower than the nation's, 1.1 percent to the nation's 1.3 percent. California's civilian employment has increased and unemployment has declined over the last three years.

Within California's industries, retail trade and housing sensitive industries such as construction and financial activities have seen a slowdown in employment, but employment in most other segments of the economy has been quite strong.

California's housing market has cooled and the economy is reflecting it. The median value of the single family homes appreciated to unprecedented levels in recent years, and those values have not been sustained as the market has cooled. The change in the housing market has affected construction jobs, construction-related businesses such as Home Depot, and financial related activities such as mortgage financing.

Question and Suggestion: Can the committee members get copies of the materials to be discussed beforehand? This would assist in being prepared for an informed and active discussion; hopefully by next meeting?

Workforce Preparation/Education Panel Discussion: How can we ensure that California's workforce is prepared for and aligned with the economy's needs for skilled workers today, and that they continue to be prepared for work in a rapidly changing world? Panel members included Ron Selge, Chancellor's Office of the California Community Colleges; Tammie Holloway, Regional Opportunities Program; Bill Bassitt, Stanislaus Alliance; Cesar Diaz, State Building Trades Council; and Frances Laskey, California Employer Advisory Council.

Ron Selge:

California is facing many challenges related to development of the future workforce. The Community College's Career Technical Education (CTE) program focuses on this area, and has grown by 6,500 to 20,000 faculty members. Rebuilding the education component of the Governor's Career Tech initiative has been bolstered by funding. The Governor's initiative offers twenty million dollars this year, and is projected to increase to \$52 million by next year and \$58 million for the year thereafter in an effort to globally rebuild the CTE System. The building blocks of the Governor's initiatives include curriculum development, reaching out to junior high school age students, business partnerships, building the capacity of teachers and faculty, and increasing the number of enrollments available.

It is recommended that there be some type of enrollment management, student retention and measurements of successes starting from junior high school for career choices, pathways, and/or technical jobs with high wages.

Programs offered at the colleges should be based on labor market demand and supported by employment statistics in order to receive funding.

Accreditation – it should be workforce-specific, demonstrate a projected demand and be designed to be responsive to employment demand.

Comment regarding SB 361 – workforce funding language. Observations were made that some young people are not ready for career-technology courses. Many students lack the basic skills needed in the workplace (i.e. basic literacy and soft skills). Programs need to insure that students develop those skills before entering career training, to support long term success. An example of a good model is Washington State’s FTE Program.

Tammie Holloway:

Several changes in the works.

- AB 1802 funds additional career counseling.
- AB 2448 shifts the focus of Regional Occupational Programs (ROP) to high school students. Presently, many ROP students are young adults. Creating courses at the high school level is essential.
- The Carl Perkins Act has been reauthorized and requires the Community Colleges and the Department of Education to “partner and collaborate”.
- A recent study reveals the declines in high school enrollment, declines in graduation rates, poverty and other issues that keep students from participating in school efforts; all interfere with solutions to the problem.
- A Resource Group has been formed and selected to submit public comments on the State Career Technical Education Plan. The first draft should be available in June, and open to broader public comments at that time.

Question: Who are the Resource Group members? And, where do they come from? What is their role?

Answer: The committee has 45 members representing a wide range of stakeholders. Action: Bonnie will distribute the hyperlink to the LMI Advisory Group once she has received the information from Ron Selge.

Curriculum Reform – When students are engaged in learning hands-on, there is an opportunity for growth and interest. CTE is boosting K-12 enrollment.

It is recommended that there be partnerships with Career Academies supporting the subject matter.

Question: Are previously-aligned staff being included in the State Plan? Are employer needs and economic development being reported to Academies, institutions? If not, it is fundamental. How about transferable skill sets?

Question: Do Community Colleges’ advisory groups and collaboratives work with employers and K-12, to review or adapt structure in K-12 for alignment with graduation expectations and enrollment into the Community College system?

Question: What does the California Department of Education (CDE) do to update the skills of its educators?

Comment: Possible consolidation of ROP teachers with Community College teachers could prove to be efficient.

Standards and framework are approved by CDE and serve as a blueprint to integrate education and technology. The blueprint is 450 pages and will be rolled out by CDE.

Bill Bassitt:

There needs to be a job service and business point of view incorporated in workforce programs and plans. Programs need to be business-demand-driven to get job orders and/or address other issues in economic development. Tremendous opportunities can be lost or gained once it is learned how business views education. Speed: How quickly can the training programs move in order to meet market demand at the speed of business – not at the education pace. Many things should be of immediate relevancy for the programs (skills) that match the needs of the employer and the businesses and meet the needs of education. Look at hard-to-fill jobs and try to meet the employers' needs. There are many skill gaps in what students are coming out with from high school and then to go on to community colleges. The colleges need to be responsive to business.

The lack of coordination to meet business needs: lack of workforce capacity is the reason why businesses are not staying in the State. There is a lack of vocational counselors. Lots of work needs to be done. High school students are not making it through high school. The drop-out rates are not being reported to capture the true picture of the drop-out problem.

Cliff Moss (Department of Education, Adult programs): My unit represents the disenfranchised students, such as ESL, BSL, students with four years of high school and forty-year-olds lacking life skills. It is recommended that CDE align themselves with the community colleges and education programs to insure that the workforce has foundation skills. The adult education client often lacks reading, writing skills. 5.5 million persons, thirty percent of whom are foreign born and many are working for the underground economy.

Tammie Holloway: There are no easy answers to these issues. ROP and academics are not collaborating as they need to. There should be some discussion on engaging students to learn basic hands-on education. CDE needs to incorporate "core curriculum" and not continue with the status quo. Presently, counseling services are for college-bound students, not for at-risk youth.

Cesar Diaz: In the building trades industry, there is a shortage of approximately one hundred thousand construction workers and it will continue to rise. The average age of construction workers is forty-seven. While it can be hazardous work, the demand is there and wages are attractive for skilled workers. For example, CalTrans expects a shortage of four thousand workers for the infrastructure bond measures that recently passed. Approximately, seventy-seven percent of construction workers have come from apprenticeships (a combination of education and hands-on training).

Comment and Question: (Dan Blake) Sixty percent of valley high school students are coming out of high school with a lack of preparation to enter the world of work. Probably because what they learned in high school is not relevant. What can be done that makes them prepared?

Gino di Caro: In the manufacturing and technology industries– our members complain that the problem is that students do not possess the basic skills needed to hold a job. The coalition is developing an informational program called “Get REAL”. Labor unions and many industries are involved in the development.

Action: *Bonnie will forward information on the “Get REAL” program to LMI Advisory Committee.*

Skills should be defined and specific to employers. Employers are experiencing that even college graduates are not prepared to perform jobs – and lack soft skills. There is a need to integrate the employers’ needs and ensure that four-year college educators are at the table when discussing “skilled workers”.

Frances Laskey: Four points from a human resources perspective, based upon the comments from members of the California Employer Advisory Council.

- (1) Basic gap in workplace readiness, regardless of education level. The Conference Board surveyed more than 400 Human Resource directors across the nation, and their experiences consistently point to the lack of very basic skills.
- (2) Employers are stating that they have jobs that need to be filled. What is lacking is collaboration and communication between critical entities (usually not aware of each other’s existence).
- (3) Even employees with four-year degrees are unprepared – they may be lacking in soft skills. A degree is not always necessary – we need to demystify the degree and get to the core of the skills needed for the job. There is a need to conduct outreach to students to disseminate information on necessary skills. Employers are recommending that we began to reach out to students as early as fifth grade about the world of work.
- (4) Small business feels the gaps. What is needed is building block training. Business needs employees that are “ready to learn”. Small businesses are not in the loop regarding human resources practices, or training. Small business needs to have ways of placing valuable employees and addressing all pertinent issues.

Small business usually doesn’t know how to write job descriptions. They need to advertise a job with a true job description that reflects what is needed from that prospective employee.

There needs to be recognition that collaboration costs money and resources and those costs are usually not factored in. Presently there is not a sustained commitment at the state level for building capacity.

Richard Della Valle: The economic workforce, research and development program of the community colleges works with industry or the technical side to incorporate business training needs. They are also able to move much more quickly to respond to business needs.

One member commented, “There is a need to educate parents as well. This is a parent problem especially for high school students.” Parents need to insure their children develop work readiness values.

Break for lunch

Regional Initiatives –

Workforce Innovation in Regional Economic Development (WIRED) Grant & Workforce and Innovation Technology Services (WITS) tool:

Fran Kennedy – Distributed handout materials related to California's WIRED initiative. Provided a brief background of WIRED, the Employment and Training Administration's Workforce Innovations in Regional Economic Development (WIRED) grant program. California's first WIRED region is the California Innovation Corridor, which encompasses 13 counties from San Diego to Alameda counties. ETA described this proposal as the best in the nation. Discussed the 2nd generation grants/funds, just released by ETA--an additional 13 sites ETA has funded with WIRED grants. This includes an additional California site, a proposal submitted by NORTEC. Stated the WIRED project is funded by Department of Labor (DOL). Requested that any questions regarding the WIRED project be addressed to Fran Kennedy, Eric Alexander or Vivian Gerlach.

Eric Alexander – Eric is the LMID liaison to the California Innovation Corridor, assisting with data needs. He stated that most of the information on the WIRED grant can be found via www.doleta.gov; Bonnie Graybill will send out the link. <http://www.doleta.gov/wired/> Eric indicated that the State of California received two WIRED grants. A brief overview was provided on the three parts of the WIRED project.

Vivian Gerlach – Provided a power point presentation (and handout) of the WITS tool which was developed by a contractor for ETA to provide easy access to workforce and economic information for the WIRED regions. ETA funded a limited number of licenses for WIRED partners to access the software. Additional licenses are available at a cost of \$3,790 per set. Defined the WITS tool and stated what the objectives are of the tool, who the users and providers are, customer support and training, data resources, activities, and timeline. Reviewed the FAQ's of the WITS tool. Vivian provided a live demonstration of the WITS tools and its capabilities.

California Regional Economies Project:

Janet Maglinte – Provided an overview and slide show of the data and research conducted by the California Regional Economies Project, also provided printed copies of the handouts to the LMI Advisory group. She stated that the current/latest studies can be found at www.labor.ca.gov/panel/.

Eric Alexander - Highly recommended the LMI Advisory group take the time to review the Clusters of Opportunity User Guide for the California Regional Economies Project at the Labor Agency/Economic Strategy Panel web page.

Wrap-Up/Closing Comments/Agenda Planning: Bonnie Graybill

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- Stacy's lunch was delicious!
- Good coffee (Starbucks!)
- Thanks for offering water in PM
- Panel discussion
- Live demonstration of WITS tool
- Breadth of participants
- Networking opportunities
- Issues brought to the table

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Room was tight
Channel issues to solutions

Next Meeting:

THURSDAY, APRIL 26, 2007

Agenda Items:

Opening Comments from the new LMID Chief (Steve Saxton)

Economic Update

GIS Update (Donna, Eileen, and Dan B.)

Practical Use of LMI –Attorneys (Stacy)

WIA Strategic Plan Update

Product Update - website products (Bonnie Graybill)

Meeting Adjourned - 3:25 PM